

Shanks



Comptroller General
of the United States

Washington, D.C. 20548

Decision

Matter of: Contract Management, Inc.

File: B-236749.3

Date: October 25, 1989

DIGEST

The General Accounting Office does not review Department of Labor wage determinations issued in connection with solicitations subject to the Service Contract Act.

DECISION

Contract Management, Inc. (CMI), protests the terms of invitation for bids No. DAKF01-89-B-0013, issued by the Department of the Army for custodial services at the Presidio of San Francisco, California.

We dismiss the protest.

The subject of the protest is a Department of Labor (DOL) wage rate determination, specifying the minimum wage and fringe benefits to be paid pursuant to the Service Contract Act of 1965 (SCA). The wage determination provides that janitors, porters and cleaners employed on contracts for janitorial services contracts in San Francisco County, California, shall be paid a minimum hourly wage of \$11.25. In addition, the wage determination provides:

"The following rates shall apply to employees who are non-permanent and are hired by the Employer. Employees in this category shall be placed in the following categories based on the amount of hours they worked for an individual Employer over the last two (2) years. As the employee reaches the minimum hours in the next highest category, said employee shall receive the next highest rate. The wage rates shall be as follows:

<u>0-2000 hrs</u>	<u>2001-4000 hrs</u>	<u>4001-5000 hrs</u>
\$7.88	\$9.00	\$10.13
<u>over 5000 hrs</u>		
\$11.25"		

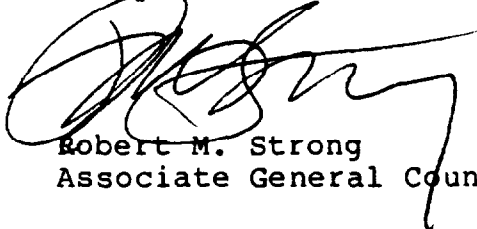
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The protester states that since it is the incumbent contractor, and most of its employees have worked for it over 4,000 hours during the past 2 years, were it to perform the new contract using its current work force it would have to pay a minimum hourly wage of \$10.13. In contrast, it states, a competitor who hires new workers--or the protester/incumbent's displaced workers--must pay a minimum hourly wage of \$7.88. The protester argues that this puts it at a competitive disadvantage and also serves to inflate the price to the government during option years. Alternatively, CMI contends that if it has misunderstood the wage determination, and if all bidders must pay a minimum hourly wage of \$11.25, then the wage determination is ambiguous and bids should not be received and opened until a clarified wage determination is issued.

Even though the protester says that the government has placed the protester at a "competitive disadvantage" through the terms of its "specifications," it is clear that the protest solely concerns the provisions of an SCA wage determination.

As a general matter, our Office does not review challenges to SCA wage rate determinations. Any challenge to a wage determination contained in a solicitation is a matter for resolution through the administrative procedures established by the DOL. 29 C.F.R. § 4.55; see Aquasis Serv., Inc., B-220028, Dec. 8, 1985, 85-2 CPD ¶ 717. In fact, our protest file concerning this procurement shows that by letter dated August 24, 1989, CMI requested the DOL to review and revise this aspect of the wage determination, among others.

The protest is dismissed.



Robert M. Strong
Associate General Counsel